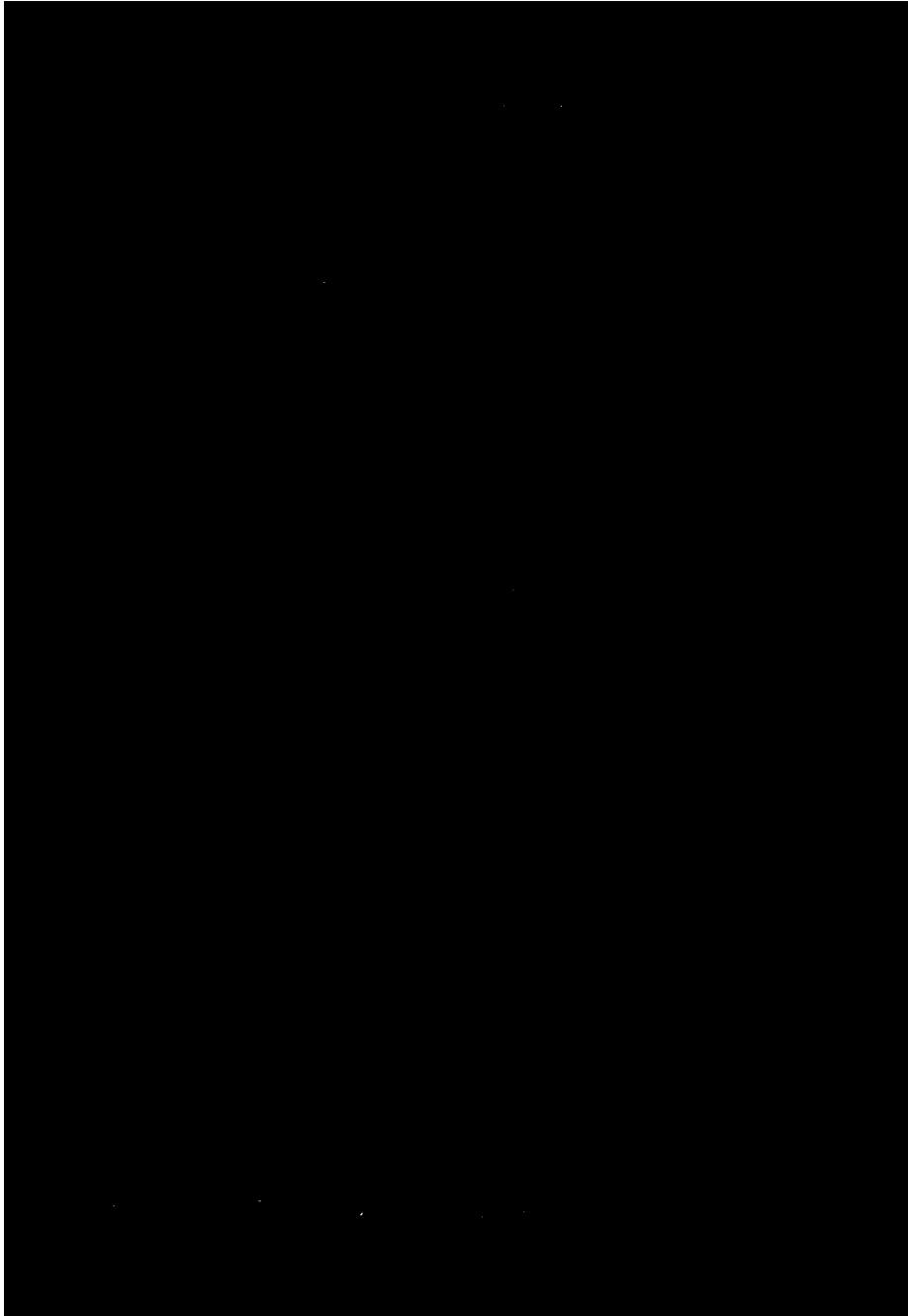


The
Crow's Nest
Pass Coal
Company

Limited



Twenty-third
Annual Report
1919



The Crow's Nest Pass Coal Company Limited

Capital Stock (Authorized)	\$10,000,000.00
Capital Stock (Subscribed)	6,212,666.66
Capital Stock (Paid Up)....	6,212,666.66

Company's Head Office
Fernie, B.C.

Stock Transfer Office
Toronto General Trusts Corporation
85 Bay Street, Toronto

Registrar
National Trust Company, Limited, Toronto

BOARD OF DIRECTORS FOR 1920

PRESIDENT

W. R. WILSON

General Manager, The Crow's Nest Pass Coal Company, Limited.

VICE-PRESIDENT

E. C. WHITNEY,

President, St. Anthony Lumber Co., Ottawa, Ont.

DIRECTORS

RALPH BUDD,

President, Great Northern Railway.

H. B. McGIVERIN,

Messrs. McGiverin, Haydon & Ebbs, Barristers, Ottawa.

W. H. ROBINSON,

Vice-President, Granby Consolidated M., S. & P. Company,
Granby, Que.

Dr. GOLDWIN W. HOWLAND,

Toronto.

ELLIS P. EARLE,

President, Nipissing Mines Co. and Georgia Peruvian Ochre Co.,
Director, Chatham and Phenix National Bank, N.Y., and
Vice-President, Granby Consolidated M., S. & P. Co.,
New York, N.Y.

A. H. MACNEILL,

Vancouver, B.C.

OFFICERS

Secretary R. M. YOUNG

Assistant Secretary Miss L. M. KELLEY

Comptroller G. R. MARTIN

Treasurer A. KLAUER

Auditors Messrs. LAWSON, WELCH & CAMPBELL,
Chartered Accountants.

PROCEEDINGS
OF THE
TWENTY-THIRD ANNUAL MEETING
OF THE SHAREHOLDERS

On the 9th day of April, 1920, the Annual General Meeting of the Shareholders of the Company was held, pursuant to notice, in the Board Room of the National Life Assurance Company, at 2.30 p.m.

The following Shareholders were present, representing 75% of the stock:—

IN PERSON—

Norman Ainley	Dr. G. W. Howland
Ralph Budd	Frank E. Maulson
A. H. Beaton	Henry Swan
William Crocker	A. L. Smoke
Mr. Cartwright, representing Estate of Sir R. J. Cart- wright	Trusts & Guarantee Co., re- presented by Mr. Smoke
A. E. Dymant	W. R. Wilson

BY PROXY—

Dr. Norman Allen	Elizabeth Folingsby
Brown Bros. & Co.	Emily H. Gemmill
P. R. Brecken	Lillie E. Gouinlock
Rachel Hill Boeckmann	James Gouinlock
Kate Brecken Black	Gertrude Hill Gavin
Jules E. H. Barth	Temple Godman
Harriet Collard	George Wm. Godman
Gordon E. Corbould	Henry J. Gardiner
D. S. Curry	W. H. Goadby
D. B. Dick	W. H. Goadby & Co.
Daniel Davies	Granby Consolidated Mining, Smelting & Power Co.
Catherine Odell Elwell	William Hanson
Ellis P. Earle	Hanson Bros.
Annie E. Eaton	H. S. Holcroft
K. Beatrice Evans	

BY PROXY (*Continued*)—

Claire M. Heffering	E. T. Nichols
James N. Hill	James H. Oliphant & Co.
Walter J. Hill	T. H. Purdom
Edith S. Hill	Arthur N. Peck
Josiah Hemans	Kate M. Perrin
H. B. Hall	Alfred Rogers
Mary Hill Hill	Martha Rogers
R. Harrmer	William T. Rasmus
Frances Ellen Hunter	W. H. Robinson
Ella B. Harriss	J. P. Steedman
Mark H. Irish	Robert R. Simpson
Imperial Trusts Co. of Canada	Henry Swan
W. J. Irving	Charles C. Smith
P. Howard Jones	J. H. Turner
J. B. Jackson	Nicholas Terhune
Kathleen E. Jones	B. S. Vanstone
E. C. Kelley	Ida May Vanstone
A. L. Lunan	Selena J. Vanstone
Leonard O. Lumbers	Jessie Crompton Walker
Margaret Laurie	Florence Crompton Walker
Robert Laidlaw	E. C. Whitney
Clara Hill Lindley	Alice E. S. Wornum
J. Cooper Mason	H. G. Wynes
Frederick Richard Martin	Henry Winnett
M. S. Millyard	William Young
H. B. McGiverin	Herman Young

Owing to the illness of the President, the chair was taken by Vice-President, Mr. W. R. Wilson, and Miss Kelley acted as Secretary to the meeting.

The notice calling the meeting for the 9th day of April, 1920, at 2.30 p.m., was taken as read.

The Minutes of the Twenty-second Annual Meeting of the Shareholders, held on the 11th day of April, 1919, and the Minutes of the Adjourned Annual Meeting, held on the 20th day of May, 1919, on motion of Mr. Ainley, seconded by Dr. Howland, were taken as read.

DIRECTORS' REPORT

TO THE SHAREHOLDERS:—

Your Directors herewith present their Twenty-third Annual Report, showing Statement of the Assets and Liabilities of the Company as at 31st December, 1919, together with the Profit and Loss Account for the year ending on that date.

The Balance at the credit of the Profit and Loss Account brought forward from 1918 was \$318,497.77 To this has been added the sum of \$122,785.14, being the Company's Net Profits from all sources of the operations for the year 1919, making a total of \$441,282.91. From this amount, your Directors have paid four dividends of one and a half per cent. each, making a total of six per cent. for the year, and amounting in all to \$372,669.00, leaving a balance at credit of Profit and Loss Account to be carried forward to 1920 of \$68,613.91.

The Profits of the Crow's Nest Pass Electric Light & Power Company, Limited, for the year were \$1,720.09, and the Morrissey, Fernie & Michel Railway Company, \$1,572.61, and in each case the amount has been carried to Reserve for depreciation.

During the year the Coal Company spent \$22,414.86 on improvements and development work, and the Morrissey, Fernie & Michel Railway Company, \$29,647.00.

The coal mined during the year amounted to 536,543 tons, as against 681,942 tons mined in 1918, and the coke produced was 63,915 tons, as against 183,771 tons in 1918. The decrease in tonnage, and consequent reduction in profits, is owing to a three months' strike during the summer months.

All of which is respectfully submitted.

ELIAS ROGERS,
President.

Toronto, April 9th, 1920.

BALANCE SHEET, 31st DECEMBER, 1919

ASSETS

Cash on hand and in Bank	\$ 281,294.86
Accounts Receivable.	414,696.92
Inventories—Coal, Coke and Stores	240,604.01
	<hr/>
	\$ 936,595.79
Securities and Shares Owned.	863,565.41
Unexpired Insurance.	6,888.76
Mines, Real Estate, Plant and Equipment.	\$6,344,449.38
LESS: Reserves for Depletion and Depreciation.	1,541,745.65
	<hr/>
	4,802,703.73
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	\$6,609,753.69

LIABILITIES

Accounts Payable.	\$ 190,228.55
Contingent Liability and In- surance Reserves.	138,244.57
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	\$ 328,473.12
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	6,281,280.57
CAPITAL STOCK—Paid Up.	6,212,666.66
PROFIT AND LOSS ACCOUNT.	68,613.91
	<hr/>
	\$6,281,280.57
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ELIAS ROGERS,
Treasurer.

PROFIT AND LOSS ACCOUNT

Year Ending December 31st, 1919

Balance at Credit 1st January, 1919.....	\$ 318,497.77
Liability Insurance Surplus 1918	\$13,345.42
Accounts written off in 1916	
now paid.....	1,953.42

	15,298.84
LESS: Income War Tax 1917,	
paid in 1919.....	2,053.99

	13,244.85

	331,742.62
Profit—Land, Timber Operations and other Sources.....	28,522.79
Profit from Coal and Coke Operations.....	81,017.50

	109,540.29

	441,282.91
Dividend No. 41 Paid Mar. 1st	93,166.50
No. 42 Paid June 1st	93,166.50
No. 43 Paid Sept. 1st	93,166.50
No. 44 Paid Dec. 1st	93,169.50

	372,669.00
BALANCE AT CREDIT OF PROFIT AND LOSS December 31st, 1919.....	<u>\$68,613.91</u>

ELIAS ROGERS,
Treasurer.

Toronto, Ont., April 8th, 1920.

AUDITORS' REPORT AND CERTIFICATE

**TO THE SHAREHOLDERS OF
THE CROW'S NEST PASS COAL COMPANY, LIMITED,**

GENTLEMEN:—

We CERTIFY that we have audited the Books and Accounts of your Company for the year ending December 31st, 1919, and that the appended Balance Sheet is, in our opinion, so drawn as to exhibit a true and correct view of the Company's position as at that date, and as shown by their books.

We further certify that all our requirements as Auditors have been fully complied with.

Respectfully submitted,

**LAWSON, WELCH & CAMPBELL,
Chartered Accountants.**

Toronto, March 29th, 1920.

THE PRESIDENT'S ADDRESS

Dr. Howland, in moving the adoption of the Report, regretted the absence of the President on account of illness, and read for him the following address, which he had intended to deliver in moving the adoption of the report:—

The Statement which is before you, together with the Directors' Report, indicates what has been accomplished during the past year, and it is only necessary for me to add some details.

The past year has been one of continual unrest. In my address last year I referred to new legislation which went into effect in British Columbia, April 1st, reducing the hours of work for all classes of labor in and about the coal mines to eight hours, and Mr. Armstrong's adjustment of the rates of pay to the eight hours a day. Mr. Armstrong, you will probably remember, was appointed by the Dominion Government as Director of Mines during the war, and he still holds office. We had a number of men doing outside work around the mines, who worked ten and eleven hours a day. The work was not heavy, although the hours long, so Commissioner Armstrong ruled that they should be allowed nine hours' pay for eight hours' work. The President of District 18 at that time, demanded that all agreement rates should be on an eight hour basis. Mr. Armstrong declined to change his ruling; consequently all the men were called out by the Executive Committee of the One Big Union, which certain extreme agitators were endeavoring to organize in the District, including those who ordinarily would have remained at work for the care and preservation of the mines during a shutdown. The men were called out on the 24th of May, and did not return to work until the 26th of August. Owing to the fan engineers and boiler men being called out, for a few days the over-men and sons of the clerical staff had to run the steam plant at Coal Creek. After tying up our mines so completely, one of the One Big Union Committee wired the Provincial Premier that the shutdown of our mines at Coal Creek was part of a scheme to abandon the mines, and he tried to induce the Provincial Premier to over-ride the authority of the Dominion Minister of Labor. The actions of the Executive of the One Big Union, as was proved later, were clearly due to a desire to advance the aims and objects of the One Big Union than to any grievance on the part of the men. The strike being unauthorized by the International headquarters, they sent representatives to investigate the situation, and found that the acting President of District 18 of the United Mine Workers

was a member of the One Big Union, also the vice-president and secretary were found to be advocating the building up of the interests of the One Big Union. The situation then developed into open conflict between the United Mine Workers of America and the One Big Union. However, the men at Fernie, and, later, at Michel, the latter part of August, voted against the One Big Union, and signed on for work, returning under the existing agreement and orders issued by Mr. Armstrong. The conflict still continues between the United Mine Workers and the One Big Union. The strong stand taken by the Minister of Labor, however, against the One Big Union, has materially strengthened the efforts of the United Mine Workers of America. Quite recently, however, members of the I.W.W. Timber Workers, who, in reality, represent the same dangerous principles as the One Big Union, have appeared in our District, and are lending their support to the One Big Union agitators.

In December, 14% increase in wages was granted, following similar action in the United States. In connection with wages now paid to our employees, the following percentages may be of interest to the Shareholders. In 1914, the average wage paid to all day men for 8 hours work was \$2.77 per shift. In December, 1919, the average wages became increased to \$5.24 per shift, or 89 2/10%. The contract miners in June, 1914, made an average of \$3.92 per shift. In December, 1919, they made \$8.07 per shift, an increase of 106 per cent.

Owing to the strike, the Coal Creek mines only worked 109 days, as compared with 248 days the previous year, and the Michel mines 205 days, as compared with 271 days during 1918; the total coal tonnage being 53,543 tons, as compared with 681,943 tons the previous year.

Our coke tonnage, 63,915 tons for the year, was considerably reduced owing to the closing down of the Granby smelter at Grand Forks and other smelters we were shipping to, their requirements becoming reduced through the economic changes following the termination of the war.

The pay-roll during the year amounted to \$1,576,955.95, and we had 1,354 employees on our roll on the 31st December. On the 31st December, 1918, we had only 1,143.

We paid to the British Columbia Government Compensation Board for liability insurance covering employees \$22,140.73.

We paid to the British Columbia Government \$33,126.00 for royalty on coal \$5,713.00, royalty on coke, and \$3,891.31 for the timber royalty.

The population depending on the mines is 7,750.

During the year, 22,045 feet of development work has been done at Coal Creek mines, and 9,148 feet at Michel mines, which has been charged to cost of coal. This is about 15 per cent. in excess of the open work mining done during the year.

There have also been extensions made to the water spraying system in the different mines; in all a total of 23,952 feet of pipe has been laid during the year.

As you are aware, we paid 6% dividend during the year.

When we take into consideration the three months' strike and the general unrest that prevailed throughout the year, I think you will agree with me that the results obtained are not altogether unsatisfactory.

I have pleasure, therefore, in moving the adoption of the Report, which was seconded by Mr. Budd.

The meeting was then thrown open for discussion.

A question was put by one of the Shareholders as to the present financial position of the Company.

Mr. Wilson replied that the Company had never been in as sound a position financially as it was to-day, and that later he would make some further remarks.

Mr. Swan said: I think I voice the feelings of all the Shareholders when I say that to Mr. Rogers and his associates we are indebted for the position the Company is in to-day, and we cannot too highly thank them for what has been done, and I express my personal regret for a very old and dear friend that Mr. Rogers is in such condition that we hear he is in to-day, and I hope that he may recover and be with us again.

The Report was unanimously adopted.

Mr. Wilson gave a very full account of the value of the coke manufacturing industry, and a still fuller account of coal mining on this continent.

The following extract is taken from his address:—

There is a great deal in the history of coal mining that is interesting. History reveals the fact that there is less real poverty in sections that are large coal producers than there is amongst the nations that have no coal, or even amongst the nations that are limited in their coal production through the lack of coal deposits in their countries.

The coal fields of Great Britain made it possible for England to become one of the greatest industrial nations of the world. The same class of basic resources has also made it possible for the United States to make the progress that that country has made during the last 100 years.

Nations are recorded in history as remaining poor through the earlier ages because they did not learn to make use of one of nature's greatest gifts—coal.

It has further been stated that the quantity of coal now used in a country and what may in future be used in a country will be regarded as a possible standard of the progress of that country's civilization.

In 1860, the United States produced 14,610,042 tons of coal.

In 1917, Canada produced 13,676,300 tons of coal.

From 1860 to 1917, a period of 57 years, the coal production in the United States increased from 14,610,042 tons for the year to 579,385,820 tons. The amazing development of the fuel resources of the United States should stimulate the people of Canada to take a more active part in developing the latent opportunities or national resources of this country. Rich coal deposits are distributed over both the Eastern and Western sections of the country. Largely unbroken at this time, they nevertheless silently form a sound unit in the assurance of the nation's prospective and future welfare. They form the basis for all kinds of mineral development, and give a real sense of security for new agricultural settlements that will, in the near future, make their homes and are making their homes in the new hinterland of both the North and West of this country.

On motion of Mr. Crocker, seconded by Mr. Smoke, the firm of Messrs. Lawson, Welch & Campbell, Chartered Accountants of Toronto, were appointed Auditors of the Company for the ensuing year. (Carried.)

On motion of Mr. Maulson, seconded by Mr. Cartwright, it was resolved that the thanks of the Shareholders are due and are hereby tendered to the Officers, Staff and Employees of the Company for their zeal and effective services in the interest of the Company during the past year. (Carried.)

On motion of Dr. Howland, seconded by Mr. Budd, Mr. Crocker and Mr. Ainley were appointed Scrutineers for the election of Directors. (Carried.)

It was moved by Mr. Beaton, seconded by Mr. Ainley, that the following gentlemen be nominated as Directors of the Company for the ensuing year: Mr. Elias Rogers, Mr. E. C. Whitney, Mr. Ralph Budd, Mr. H. B. McGiverin, Mr. W. H. Robinson, Mr. Ellis P. Earle, Dr. G. W. Howland, and Mr. W. R. Wilson.

It was moved by Mr. Swan, and seconded by Mr. Maulson, that the Chairman be authorized to cast one ballot on behalf of the Shareholders and in favor of the gentlemen nominated as Directors of the Company for the ensuing year. (Carried.)

The Scrutineers reported the gentlemen nominated as having been duly elected Directors for the ensuing year.

The meeting then adjourned.

A meeting of the Directors was held in New York on the 15th of April, 1920, and the following Officers were elected:-

President.....	Mr. W. R. WILSON
Vice-President.....	Mr. E. C. WHITNEY
Treasurer.....	Mr. A. KLAUER
Comptroller.....	Mr. G. R. MARTIN
Secretary.....	Mr. R. M. YOUNG
Assistant Secretary.....	Miss L. M. KELLEY

Mr. A. H. MacNeill, of Vancouver, B.C., was elected a Director of the Company.

With profound regret, the death of Mr. Elias Rogers, on Sunday, April 11th, was reported, and instructions issued to have the following Resolution engrossed and sent to Mrs. Rogers and the family; and that this Resolution be incorporated in the Minutes of the Annual Report.

RESOLUTION unanimously approved by the Directors of The Crow's Nest Pass Coal Company, Limited.

"RESOLVED that in the death of Mr. Elias Rogers, The Crow's Nest Pass Coal Company, Limited, has lost the services of a splendid administrator and a true friend to the best interests of the Stockholders.

"Mr. Rogers has been the active head and guiding influence in The Crow's Nest Pass Coal Company, Limited, for the last twelve years, and through his steadfast and loyal attention to the various duties and responsibilities that are involved in the position of the President in a Company of this nature, the Company has safely passed through many trying and abnormal difficulties.

"Mr. Rogers' long years of training, study and experience in varied public enterprises specially fitted him with the qualifications that are necessary to fill the duties that he has held for so many years in the Company. Through the death of Mr. Rogers, the Company has lost the services of a proficient and highly-matured mind, whose place it will be exceedingly difficult to fill. We deeply feel the death of Mr. Rogers, for we always found him ready to utilize the best thoughts of the organization whether derived from others or himself, and while he was willing to accept the ideas of others for the best interests of the organization, he did so only after giving thorough consideration and an exacting study of the questions to be dealt with.

"Mr. Rogers' personal qualities were characterized in his business dealings, for, based on a deeply religious nature, there was added absolute probity, fair dealing, and the desire to do for everyone the best that lay in his power.

"Mr. Elias Rogers needs no monument to acknowledge his ability nor to recall his name to his successors. While The Crow's Nest Pass Coal Company exists the greatest memorial that he has left behind is the recognition in the hearts of the many widows and orphans who are Stockholders in this Company that he successfully protected their interests.

"In our loss as a Company, we can appreciate the greater personal grief of those to whom we present this token as a recognition that their sorrow is linked with the deep feeling of regret felt by the Directors, Officers and Stockholders of The Crow's Nest Pass Coal Company, Limited."

